



## Fiscal Estimate Narratives

DWD 7/1/2005

LRB Number	05-3028/1	Introduction Number	SB-245	Estimate Type	Original
<b>Subject</b>					
Minimum wage; index to changes in consumer price index					

### Assumptions Used in Arriving at Fiscal Estimate

In the past 8 years there has been only one state minimum wage increase. Consequently there has been very low demand for minimum wage brochures and posters. Annual increases in the minimum wage will create an increased demand for these publications from employers and the public. The department anticipates it will need to print and distribute an additional 50,000 brochures or posters each year over current distribution levels. The cost of printing these materials will be approximately \$1,100 per year. The department anticipates it will individually mail out approximately 20,000 of these materials individually to requesters each year at a cost of \$0.40 per mailing or \$8,000 per year.

The department doesn't believe annual increases in the state minimum wage will affect the number of complaints it receives alleging employers are not receiving the minimum wage.

Indexing the minimum wage to the consumer price index will mean labor costs for minimum wage employees of government units will increase annually at the rate of inflation. The exact cost to government units will be dependent upon how many minimum wage employees a government units has and how many hours those employees work per year.

### Long-Range Fiscal Implications

The department anticipates the annualized costs cited above will continue for the foreseeable future.

## Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

☒ Original
 ☐ Updated
 ☐ Corrected
 ☐ Supplemental

<b>LRB Number</b> <b>05-3028/1</b>	<b>Introduction Number</b> <b>SB-245</b>
<b>Subject</b>	
Minimum wage; index to changes in consumer price index	
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>	
The department will have to amend its minimum wage regulations to incorporate the changes made in this bill. The department anticipates it can make these changes using current staff and without incurring any additional costs.	
<b>II. Annualized Costs:</b>	<b>Annualized Fiscal Impact on funds from:</b>
	Increased Costs      Decreased Costs
<b>A. State Costs by Category</b>	
State Operations - Salaries and Fringes	\$0      0
(FTE Position Changes)	(0.0 FTE)      (0.0 FTE)
State Operations - Other Costs	9,100      0
Local Assistance	0      0
Aids to Individuals or Organizations	0      0
<b>TOTAL State Costs by Category</b>	<b>\$9,100      \$0</b>
<b>B. State Costs by Source of Funds</b>	
GPR	9,100      0
FED	0      0
PRO/PRS	0      0
SEG/SEG-S	0      0
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)</b>	
	Increased Rev      Decreased Rev
GPR Taxes	\$0      \$0
GPR Earned	0      0
FED	0      0
PRO/PRS	0      0
SEG/SEG-S	0      0
<b>TOTAL State Revenues</b>	<b>\$0      \$0</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>	
	State      Local
NET CHANGE IN COSTS	\$9,100      \$
NET CHANGE IN REVENUE	\$0      \$
<b>Agency/Prepared By</b>	
<b>Authorized Signature</b>	
<b>Date</b>	
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